



Quarterly report to our shareholders
3rd quarter ended March 31, 2005

Management's Discussion and Analysis of Financial Position and Results of Operations

This analysis focuses on the financial position and results of operations of Amadeus International Inc. (TSX-V: AML) ("the Company") for the third quarter from January 1st, 2005 to March 31, 2005. The analysis should be read in conjunction with the Company's financial statements for the three-month and nine-month periods ended March 31, 2005 and related notes, and with the audited consolidated financial statements for the year ended June 30, 2004 available in appendix of the proxy circular published on December 17, 2004.

The audited and unaudited consolidated financial statements of the Company have been prepared in accordance with Canadian generally accepted accounting principles (GAAP) and are in Canadian dollars.

This document contains forward-looking statements that involve certain risks and uncertainties. Such statements are not guaranteed to be accurate and actual results as well as future events may be materially different from those anticipated herein. These risks and uncertainties include those described in the A77 Capital Inc. circular, published on December 17, 2004, under Risk Factors.

Certain sections of this management's discussion and analysis may contain forward-looking information. Statements based on current management expectations involve inherent risks and uncertainties, both known and unknown. Actual results may be different from forecasts.

This management's discussion and analysis of the Company's financial position and results of operations was prepared as of May 20, 2005. Updated information on the Company can be found on the SEDAR Web site at www.sedar.com.

Overview and Outlook

Created in 1994, Amadeus International Inc. (TSX-V: AML) is a worldwide leader of flexible compliance process control solutions. The Amadeus platform empowers highly regulated organizations to continuously improve their business performances, reduce operational and compliance risk while controlling critical regulated processes to turn compliance into profits. With its North-American head office in Quebec City and sales offices in New Jersey, USA as well as in Paris, France, Amadeus International's software solutions are distributed in 10 countries with over 33,000 users in North America, Europe, the Middle East and Africa.

On December 23, 2004, the Company amalgamated with A77 Capital Inc. (TSX-V : VOG.P), a capital pool company and 9106-5086 Québec Inc. This amalgamation represented the qualifying transaction for the Company. On the same day and at the beginning of January, the Company completed a private placement of 2,756,463 units at a price of \$0.55 per unit for a total amount of \$1,516,050. Each unit consists of one common share of the Company and a half-warrant. Each full warrant will entitle its holder to subscribe for one common share of the Company at a price of \$0.85 per share within eighteen months following the closing date of the private placement (at a price of \$0.65 per share, for those who invest \$500,000 and over, within twenty-four months following the closing date).

During the third quarter the Company recorded their first important sales of the web based solution eQCM®. One of the world's leading biotechnology companies has selected Amadeus solutions as their standard compliance platform for their strategic global compliance initiative. This recent sale represents a significant milestone achievement and validates the market value of the Company's compliance solutions.

Results of Operations

(In Canadian dollars, except the number of shares)	Three months ended March 31,		Nine months ended March 31,	
	2005	2004	2005	2004
	\$	\$	\$	\$
Revenues	459 581	502 268	1 100 860	1 699 376
Net loss	(668 011)	(326 615)	(1 918 406)	(456 230)
Basic and diluted loss per share	(0,02)	(0,02)	(0,09)	(0,02)
Basic and diluted weighted average number of shares outstanding	29 040 685	19 237 253	20 644 327	19 237 253

Revenues

Revenues for the third quarter ended March 31, 2005, totaled \$459,581, a 8.5% decrease compared to revenues of \$502,268 for the same period last year. For the nine-month period ended on March 31, 2005, revenues decreased by 35.22% and stood at \$1,100,860 compared to \$1,699,376 in 2004. The introduction of the new web based solution of the company, eQCM®, during the first quarter caused a slowdown of the sales related to the client/server solution eQRP® which had generated the whole license revenues in the preceding fiscal year (eQRP® was available on the market in July 2000). With a longer sale cycle for the eQCM® solution, management estimates that marketing efforts carried out in the first three quarters of the year will allow to increase the sales of licenses during the last quarter and the following years.

Cost of sales

The cost of sales for the third quarter stood at \$45,947 compared to \$47,151 for the same period a year earlier. For the first nine months of the year, the cost of sales was \$195,653 compared to \$211,323 last year. Recruitment of a new resource during the quarter increase the cost of sales at the same level as last year. Variances for the nine-month periods are attributable to the reduction of the personnel in the customer service department.

Research and development expenses

Net research and development expenses totaled \$362,503 in the third quarter compared to \$245,530 last year. The decrease of the research and development expenses are mainly explainable by the end of the development period of the eQCM® solution. For the first nine months of the year, net research and development expenses were \$854,440 compared to \$518,623 last year. In 2004, the Company was developing the eQCM® solution; the related salaries and tax credits were capitalized as assets resulting in lower net expenses. Now, all the research and development are expensed in the period they incur.

General, selling, and administrative expenses

General, selling and administrative expenses amounted to \$593,111 for the third quarter compared to \$457,709 for the same period last year. The difference is primarily due to an expanded sales force in the United States and to the recruitment of new personnel to handle the increased of requirements related to the fact that the Company is now public. For the first nine months of the year, the total expenses were \$1,603,561 compared to \$ 1,142,224 last year.

Depreciation and amortization

Depreciation and amortization expenses rose by 139% to stand at \$68,293 for the third quarter compared to \$28,571 for the same period last year. The increase is attributable to the amortization of research and development expenses capitalized since 2000 and totaling \$32,578 this quarter.

Interest

Net interest expenses stood at \$54,448 for the third quarter compared to \$55,966 for same period last year. For the nine month period ended March 31, 2005, the net interest stood at \$201,234 compared to \$186,220 for the same period in 2004.

Net earnings (loss)

Amadeus posted a net loss of \$668,011 or \$0.02 per share for the third quarter, compared to net loss of \$326,615 or \$0.02 per share a year earlier. For the first nine months of the year, the net loss amounted to \$1,918,406 or \$0.09 per share compared to \$456,230 or \$0.02 per share in 2004. This increase loss can be explained by the transitional period between eQRP® and eQCM® which generated a downturn in revenues, the increased marketing efforts on the United States market combined with the increased administrative expenses.

Financial position and cash flows

(In Canadian dollars)	As at March 31, 2005 \$	As at June 30, 2004 \$
Cash and bank loan	247,583	(46,707)
Subscription receivable	25,000	-
Current assets	1,753,749	2,573,082
Total assets	2,877,574	3,823,637
Current liabilities	1,071,285	1,995,231
Long term liabilities	1,647,444	1,745,242

As at March 31, 2005, current assets totaled \$1,753,749 compared to \$2,573,082 as at June 30, 2004. Current liabilities stood at \$1,071,285 at March 31, 2005, compared to \$1,995,231 as at June 30, 2004. The working capital increased by \$104,613 to stand at \$682,464 as at March 31, 2005 compared to \$577,851 as at June 30, 2004. The decrease of the total assets is explained by cashing, during the second and third quarter, of the 2003 and 2004 tax credits and by the reimbursement of the bank loans that financed those credits.

The Company had cash of \$247,583 as at March 31, 2005, compared to a bank loan of \$46,707 as at June 30, 2004. The Company held \$25,000 of subscriptions receivable as at March 31, 2005. Those subscriptions receivable are related to the private placement completed on December 23, 2004 and January, 2005.

In the third quarter of 2005, operating activities used \$664,880 in cash flows, compared to \$19,013 generated in the same quarter last year. The difference is due to various factors, including in particular the net loss \$668,011 compared to the net loss of \$326,615 last year. Moreover the increase of the account receivables at the end of the quarter, related to the first sales of the eQCM® solution which explains the negative change in non-cash operating working capital items. For the first nine months of the year, operating activities used \$2,160,181 in cash flow, compared to \$348,504 in 2004.

Financing activities used cash flow of \$208,427 in the third quarter, compared to \$412,459 generated in 2004. The difference was primarily attributable to the reimbursement of \$600,000 on the loan secured by its tax credits using the tax credits cashed during the quarter. Moreover the Company cashed a total of \$400,000 of subscription receivable relative to the private placement, which occurred in December, 2004. For the same period last year the company used its operating credit line for a total amount of \$476,459. For the first nine months of the year, financing activities generated cash flow of \$884,368, mainly constituted with the stock issuance net of related expenses totaling \$1,477,420 less reimbursement of bank loan totaling \$849,707. In March, 2004 the generated cash flows by financing activities of \$147,874.

Investing activities generated cash flow of \$677,370 in the third quarter, compared to \$463,538 used in the same quarter of 2004. The difference was mainly due to the tax credits cashed during the quarter which amounted to \$739,703. For the first nine months of the year, investing

activities generated cash flow of \$1,523,396, mainly due to \$1,601,916 of tax credit cashed, compared to \$598,926 used in 2004.

The Company considers that its current financial resources, combined with the cash flow from its activities, are sufficient to attain its objectives and maintain its financial independence for the foreseeable future. The Company is seeking additional financing in order to accelerate its marketing and to increase its working capital to support its growth. The Company is also studying the possibility of expanding its market share in the compliance segment through strategic business acquisitions that could create synergies with the Company.

Outstanding shares

As at April 29, 2005, the Company had 29,043,716 Class A shares outstanding.

(S) Frédéric Garand _____

Frédéric Garand, CA
Chief financial officer
Amadeus International Inc



Quarterly report to our shareholder's
3rd Quarter ending March 31, 2005

The attached consolidated financial statements have been prepared by the Management of Amadeus International Inc. and have not been reviewed by an auditor. This quarterly report includes forward-looking statements that are based on certain assumptions and reflect Amadeus current expectations. These forward-looking statements are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from current expectations. Additional factors are discussed in Amadeus materials filed with the securities regulatory authorities in Canada from time to time. Amadeus disclaims any intention or obligation to update or revise any forward looking statements.

AMADEUS INTERNATIONAL INC.
CONSOLIDATED STATEMENTS OF EARNINGS

	Three months period ended March 31,		Nine months period ended March 31,	
	2005 \$ (unaudited)	2004 \$ (unaudited)	2005 \$ (unaudited)	2004 \$ (unaudited)
REVENUES				
Software	167,799	295,579	373,520	1,083,429
Services	67,779	22,570	158,814	153,501
Maintenance	224,003	184,119	568,526	462,446
	459,581	502,268	1,100,860	1,699,376
COST OF SALES	45,947	47,151	195,653	211,323
GROSS MARGIN	413,634	455,117	905,207	1,488,053
OPERATING EXPENSES				
Research and development	362,503	245,530	854,440	518,623
Selling, general and administrative	593,111	457,709	1,603,561	1,142,224
Depreciation and amortization	68,293	28,571	164,413	108,482
	1,023,907	731,810	2,622,414	1,769,329
EARNINGS (LOSS) BEFORE FINANCIAL EXPENSES	(610,273)	(276,693)	(1,717,207)	(281,276)
Accreditation on convertible debentures	3,290	1,526	8,760	2,962
Interest, net	54,448	55,966	201,234	186,220
Loss on writedown of marketable security	-	1,500	-	1,500
	57,738	58,992	209,994	190,682
EARNINGS (LOSS) BEFORE INCOME TAXES	(668,011)	(335,685)	(1,927,201)	(471,958)
INCOME TAXES EXPENSES (RECOVERY)				
Current income taxes	-	358	-	841
Future income taxes	-	(9,428)	(8,795)	(16,569)
	-	(9,070)	(8,795)	(15,728)
NET EARNINGS (LOSS) FOR THE PERIODS	(668,011)	(326,615)	(1,918,406)	(456,230)
BASIC AND DILUTED NET EARNINGS (LOSS) PER SHARE (note)	(0.02)	(0.02)	(0.09)	(0.02)

The accompanying notes are an integral part of these consolidated interim financial statements

AMADEUS INTERNATIONAL INC
CONSOLIDATED STATEMENTS OF DEFICIT

	Three months period ended		Nine months period ended	
	March 31,		March 31,	
	2005	2004	2005	2004
	\$	\$	\$	\$
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
BALANCE - BEGINNING OF PERIOD	(3,496,225)	(1,267,044)	(2,245,830)	(1,137,429)
NET EARNINGS (LOSS) FOR THE PERIOD	(668,011)	(326,615)	(1,918,406)	(456,230)
BALANCE - END OF PERIOD	(4,164,236)	(1,593,659)	(4,164,236)	(1,593,659)

The accompanying notes are an integral part of these consolidated interim financial statement

**AMADEUS INTERNATIONAL INC.
CONSOLIDATED BALANCE SHEETS**

	As at March 31, 2005	As at June 30, 2004
	\$ (unaudited)	\$
ASSETS		
CURRENT ASSETS		
Cash	247,583	-
Accounts receivable (note 4)	971,510	816,464
Subscription receivable (note 5)	25,000	-
Net investment in a lease agreement	35,175	32,644
Refundable tax credits	444,233	1,697,464
Prepaid expenses	30,248	26,510
	1,753,749	2,573,082
PROPERTY, PLANT AND EQUIPMENT	195,152	238,995
INTANGIBLE ASSETS AND OTHER ASSETS	647,401	690,299
NET INVESTMENT IN A LEASE AGREEMENT	32,110	58,816
FUTURE INCOME TAX ASSETS	249,162	262,445
	2,877,574	3,823,637
LIABILITIES		
CURRENT LIABILITIES		
Bank loan	-	46,707
Loan secured by the refundable tax credits	-	803,000
Accounts payable and accrued liabilities	432,123	522,791
Deferred revenues	453,311	386,391
Current portion of long term debt	128,270	159,370
Future income tax assets	57,581	76,972
	1,071,285	1,995,231
DEFERRED REVENUES	14,712	24,534
LONG TERM DEBT	48,909	142,958
LIABILITY COMPONENT OF CONVERTIBLE DEBENTURES	1,557,189	1,548,429
FUTURE INCOME TAX LIABILITIES	26,634	29,321
	2,718,729	3,740,473
SHAREHOLDER'S EQUITY		
Equity component of convertible debentures	380,924	380,924
Share capital (note 5)	3,110,059	1,813,059
Stock options (note 5)	499,455	-
Warrants (note 5)	197,632	-
Contributed surplus	135,011	135,011
Deficit	(4,164,236)	(2,245,830)
	158,845	83,164
	2,877,574	3,823,637

The accompanying notes are an integral part of these consolidated interim financial statements

AMADEUS INTERNATIONAL INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Three months periods ended		Six months periods ended	
	December 31		December 31	
	2004	2003	2004	2003
	\$	\$	\$	\$
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES				
Net earnings (loss) for the period	(668,011)	(326,615)	(1,918,406)	(456,230)
Items not affecting cash				
Income derived from the net investment in a lease agreement	8,259	-	24,175	-
Depreciation and amortization	68,293	28,571	164,413	108,482
Loss (gain) on disposal of property, plant and equipment	-	3,141	-	3,141
Loss (gain) on writedown of marketable security	-	1,500	-	1,500
Accretion on convertible debentures	3,290	1,526	8,760	2,962
Future income taxes	-	(9,428)	(8,795)	(16,569)
	(588,169)	(301,305)	(1,729,853)	(356,714)
Net change in non-cash operating working capital items excluding deferred revenues (note 9)	(120,460)	250,371	(487,426)	(117,733)
Increase in deferred revenues	43,749	69,947	57,098	125,943
	(664,880)	19,013	(2,160,181)	(348,504)
CASH FLOWS FROM FINANCING ACTIVITIES				
Variation in bank loan	-	476,459	(46,707)	480,501
Decrease in loan secured by tax credits	(600,000)	-	(803,000)	(225,468)
Payments on long term debt	(34,801)	(63,967)	(125,149)	(107,159)
Issuance of Class A shares, net of share issue expenses	426,374	-	1,477,420	-
Net cash acquired on amalgamation (note 3)	-	-	131,804	-
Advance payable (note 3)	-	-	250,000	-
	(208,427)	412,492	884,368	147,874
CASH FLOWS FROM INVESTING ACTIVITIES				
Additions to property, plant and equipment	(7,690)	(6,145)	(12,514)	(54,203)
Proceeds from disposal of property, plant and equipment	-	2,925	-	2,925
Acquisitions of intangible assets	(22,452)	(4,383)	(25,295)	(30,565)
Increases in other assets, net of tax credits received	707,512	(455,935)	1,561,205	(517,083)
	677,370	(463,538)	1,523,396	(598,926)
NET CHANGE IN CASH	(195,937)	(32,033)	247,583	(799,556)
CASH - BEGINNING OF THE PERIOD	443,520	(26,670)	-	740,853
CASH - END OF THE PERIOD	247,583	(58,703)	247,583	(58,703)

The accompanying notes are an integral part of these consolidated interim financial statements

AMADEUS INTERNATIONAL INC
ACCOMPANYING NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2005

1. STATUTES AND NATURE OF ACTIVITIES

The company, incorporated under Part 1A of the Québec Companies Act results from the amalgamation of A77 Capital inc., Amadeus International inc. and 9106-5086 Quebec Inc. on December 23, 2004. It is specializing in the development and marketing of compliance software solutions that help companies to improve their business performance by automating management of their processes and management systems.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying unaudited financial statements are in accordance with Canadian generally accepted accounting principles for interim financial statements and do not include all the information required for complete financial statements. They are also consistent with the policies outlined in the Corporation's audited financial statements for the year ended June 30, 2004 available in appendix of the proxy circular published on December 17, 2004. The interim financial statements and related notes should be read in conjunction with the Corporation's audited financial statements for the year ended June 30, 2004. When necessary, the financial statements include amounts based on informed estimates and best judgements of management. The results of operations for the interim periods reported are not necessarily indicative of results to be expected for the year.

3. AMALGAMATION

On December 23, 2004, Amadeus international Inc., A77 Capital Inc and 9106-5086 Quebec Inc. (9106-5086) amalgamated under part 1A of the Québec Companies Act ("Amadeus" or the "Company"). Pursuant to the Amalgamation, the security holders of Amadeus international Inc., and 9106-5086 Quebec Inc., received an aggregate of 19,237,253 Amadeus Common Shares and the security holders of A77 Capital received an aggregate of 7,050,000 Amadeus Common Shares. The Amalgamation constituted the Qualifying Transaction for A77 Capital inc. within the meaning of Policy 2.4 of the TSX Venture Exchange. This transaction has been accounted for as the acquisition of 9106-5086 and A77 Capital by Amadeus. Accordingly, the financial statements of the Company are the continuation of those of Amadeus international Inc.

The net value of the assets of A77 Capital Inc and 9106-5086 Quebec Inc acquired by Amadeus International inc. were as follows:

	Capital A77 \$	9106-5086 \$	Total \$
Cash	131,816	(12)	131,804
Advance to a Company	250,000	-	250,000
Advance to a director	50,000	-	50,000
Consumption taxes receivable	69,893		69,893
Other current liabilities	(9,280)	(750)	(10,030)
Net assets acquired	492,429	(762)	491,667

AMADEUS INTERNATIONAL INC
ACCOMPANYING NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2005

The consideration issued as part of that business combination is allocated as follows

Consideration issued	
7 050 000 issued and outstandings shares	617,569
1 205 000 stock options at fair market value	499,455
Issue expenses	(625,357)
	491,667

4. ACCOUNTS RECEIVABLE

	As at March 31, 2005 \$ (unaudited)	As at June 30, 2004 \$
Trade	921,377	816,464
Consumption taxes receivable	133	-
Advance to an officer, prescribed rates	50,000	-
	971,510	816,464

5. CAPITAL STOCK

Authorized

Unlimited number of shares, without par value

Class A, voting and participating

Class B, non-voting and non-participating, non-cumulative dividend of 6%, redeemable at the issue price

Class C, non-voting and non-participating, non-cumulative dividend of 0.5% calculated on redemption value, redeemable at the holder's or company's option at paid-up amount plus a premium equivalent to the difference between the paid-up capital and the fair market value of the consideration received upon issuance

	As at March 31, 2005 \$ (unaudited)	As at June 30, 2004 \$
Issued and fully paid		
Class A shares	3,085,059	1,813,059
Issued and unpaid		
45 455 Class A shares	25,000	-
	3,110,059	1,813,059

AMADEUS INTERNATIONAL INC
ACCOMPANYING NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2005

The following tables summarize the capital stock activity since July 1st, 2003.

	As at March 31, 2005 (9 months)		As at June 30, 2004 (12 months)	
	Number	Stated value \$ (unaudited)	Number	Stated value \$
Balance - Beginning of the period	19,237,253	1,813,059	19 237 253 *	1,813,059
Issuance of class A shares on the date of the amalgamation	7,050,000	617,569		
Issuance of class A shares	2,756,463	1,516,050		
Value attributed to warrants issued		(197,632)		
Issue expenses		(638,987)		
Balance - End of the period	29,043,716	3,110,059	19 237 253	1,813,059

* On the date of amalgamation, the company issued 19 237 253 Class A shares in exchange for 13 695 894 Class A shares of Amadeus International Inc.

Share issues

On December 23, 2004, the Company completed a private placement of 2,729,190 units at a price of \$0.55 per unit for a total amount of \$1,501,050. Each unit consists of one common share of the Company and a half-warrant. Each full warrant will entitle its holder to subscribe for one common share of the Company at a price of \$0.85 per share within eighteen months following the closing date of the private placement (at a price of \$0.65 per share, for those who invest \$500,000 and over, within twenty-four months following the closing date). As at March 31, 2005 a balance of \$10,000 was still outstanding.

Within the same private placement, on January 10th, 2005, the company issued a total of 27 273 units at a price of \$0.55 per unit for a total amount of \$15,000. Each unit consists of one common share of the Company and a half-warrant. Each full warrant will entitle its holder to subscribe for one common share of the Company at a price of \$0.85 per share within eighteen months following the closing date of the private placement. As at March 31, 2005 a balance of \$15,000 was still outstanding.

Stock options

In June 2003, the company modified its stock option plan for directors and employees. All the options granted under the plan may be exercised within a maximum period of ten years following the date of grant. The company's directors have agreed that options might be exercised at the rate of 1/36 per month from the first month following the date of grant. The Board of Directors will designate the optionees and will determine the number of common shares covered by each of these options, the date of vesting of each option, the exercise price of each option, the expiry date, the acquisition conditions and the restrictions related to the exercise of these options. The purchase price of these shares may not be lower than their closing price on the day preceding the date of grant. The maximum number of common shares that is issuable under the plan was fixed at 3,090,264 common shares, and the maximum number that may be granted to an optionee shall not exceed 5% of all the outstanding common shares. Options expire after a maximum period of ten years following the date of grant.

AMADEUS INTERNATIONAL INC
ACCOMPANYING NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2005

The following table presents the stock options activity:

	As at March 31, 2005 (9 months)			As at June 30, 2004 (12 months)		
	Number	Value	Weighted average exercise price	Number	Value	Weighted average exercise price
		\$ (unaudited)	\$ (unaudited)		\$	\$
Balance - Beginning of the period	87,086	-	0.69	87 086 *	-	0.69
Issuance of stock options on the date of the amalgamation	1,205,000	499,455	0.20	-	-	-
				-	-	-
Balance - End of the period	1,292,086	499,455	0.23	87 086	-	0.69

* On the date of amalgamation, the Company issued 87 086 stock options in exchange for 62 000 stock options of Amadeus International Inc.

The following table summarizes information about stock options as at December 31, 2004

Exercise price	Options outstanding as at March 31, 2005			Options exercisable as at March 31, 2005	
	Number	Weighted average remaining contractual life		Number	Weighted average remaining contractual life
		(years) (unaudited)			
0.71 \$	22,474	5.8		20,367	5.8
0.41 \$	64,612	8.2		16,154	8.2
0.20 \$	1,205,000	2.6		1,205,000	2.6
	1,292,086	3.1		1,241,521	2.7

AMADEUS INTERNATIONAL INC
ACCOMPANYING NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2005

The fair value of options granted was estimated using the Black-Scholes pricing model with the following weighted average assumptions:

For the 705 000 stock options acquired in the amalgamation, granted to some directors

Risk-free interest rate	3.75%
Expected volatility	75%
Dividend yield	Nil
Expected life	5 years

For the 500 000 stock options acquired in the amalgamation, granted to the underwriter

Risk-free interest rate	3.00%
Expected volatility	75%
Dividend yield	Nil
Expected life	1.5 years

The Black-Scholes pricing model was developed for use in estimating the fair value of traded options and rights which have no vesting restrictions, and are fully transferable.

Warrants

The following table summarizes information about warrants since July 1st 2003

	As at March 31, 2005 (9 months)			As at June 30, 2004 (12 months)		
	Number	Value \$	Weighted average exercise price \$ (unaudited)	Number	Value \$	Weighted average exercise price \$
Balance - Beginning of the period	-	-	-	-	-	-
Issuance of warrants on the date of the amalgamation	1,378,244	197,632	0.78	-	-	-
Balance - End of the period	1,378,244	197,632	0.78	-	-	-

The following table summarizes information about warrants as at March 31, 2005

Exercise price	Number	Expiration date
0.65 \$	454,546	December 22, 2006
0.85 \$	923,698	June 22, 2006
	1,378,244	

AMADEUS INTERNATIONAL INC
ACCOMPANYING NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2005

The fair value of warrants issued was estimated using the Black-Scholes pricing model with the following weighted average assumptions:

For the 454 546 warrants issued with a strike price of 0.65\$.

Risk-free interest rate	3.00%
Expected volatility	75%
Dividend yield	Nil
Expected life	2 years

For the 910 062 warrants issued with a strike price of 0.85\$.

Risk-free interest rate	3.00%
Expected volatility	75%
Dividend yield	Nil
Expected life	1.5 years

The Black-Scholes pricing model was developed for use in estimating the fair value of traded options and rights which have no vesting restrictions, and are fully transferable.

Pro-forma information on stock-based compensation plan

If the fair value based method had been used to account for stock-based compensation costs related to stock options granted to employees since the adoption of the new standard on July 1, 2002, the net loss and related net loss per share figures on a pro-forma basis would be as follows:

	Three months periods ended March 31,		Nine months periods ended March 31,	
	2005 \$ (unaudited)	2004 \$ (unaudited)	2005 \$ (unaudited)	2004 \$ (unaudited)
Net earning (loss) for the period	(668,011)	(326,615)	(1,918,406)	(456,230)
Pro-forma adjustment for stock-based compensation costs	(617)	(86)	(1,852)	(259)
Pro-forma net earnings (loss) for the period	(668,628)	(326,701)	(1,920,258)	(456,489)
Basic and diluted net earnings (loss) per share	(0.02)	(0.02)	(0.09)	(0.02)
Basic and diluted pro-forma net earnings (loss) per share	(0.02)	(0.02)	(0.09)	(0.02)

These options, which have a weighted average fair value of \$0.2147, will generate aggregate stock-based compensation costs of \$9,876 over their vesting periods. Those costs will be amortized over their vesting periods using the straight-line method, resulting in annual stock-based compensation costs of \$2,469 in 2005 and 2006 and of \$2,246 in 2007.

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6. SEGMENTED INFORMATION

The company is organized under one single operating segment, which is the development and sale of software licenses and the related post-contract customer support services. Substantially all of the company's property, plant and equipment are located in Canada.

Revenues by geographic region are detailed as follows

	Three months periods ended March 31,		Nine months periods ended March 31,	
	2005	2004	2005	2004
	\$ (unaudited)	\$ (unaudited)	\$ (unaudited)	\$ (unaudited)
Canada	298,651	281,287	663,031	879,523
Portugal	15,927	67,780	154,597	414,380
France	12,379	17,458	144,382	163,949
United States	121,954	115,965	128,180	221,746
Others	10,670	19,778	10,670	19,778
	459,581	502,268	1,100,860	1,699,376

Revenues have been allocated to geographic regions based on the country of residence of the related customers

7. EARNINGS PER SHARE

The following table summarizes the reconciliation of the basic weighted average number of shares outstanding and the diluted weighted average number of shares outstanding used in the diluted earnings per share calculations:

	Three months periods ended March 31,		Nine months periods ended March 31,	
	2005	2004	2005	2004
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Basic weighted average number of shares outstanding	29,040,685	19,237,253	20,644,327	19,237,253
Diluted effect of stock options	-	-	-	-
Diluted effect of convertible debenture	-	-	-	-
Diluted weighted average number of shares outstanding	29,040,685	19,237,253	20,644,327	19,237,253
Items excluded from the calculation of diluted net loss per share because the exercise price was greater than the average market price of the common shares or due to the antidilutive effect				
Stock options	1,313,154	107,923	427,640	82,836
Warrants	1,376,729	-	497,033	-
Convertible debentures	4,722,182	4,722,182	4,722,182	4,722,182

For the periods ended March 31, 2004 and 2005, the diluted loss per share was the same as the basic loss per share since the dilutive effect of stock options and convertible debentures was not included in the calculation; otherwise, the effect would have been anti-dilutive. Accordingly, the diluted loss per share for those periods was calculated using the basic weighted average number of shares outstanding.

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8. RELATED PARTY TRANSACTIONS

The following table summarizes operations conducted by the company with related parties during the period

	Three months periods ended March 31,		Nine months periods ended March 31,	
	2005 \$ (unaudited)	2004 \$ (unaudited)	2005 \$ (unaudited)	2004 \$ (unaudited)
Expenses				
Management fees	-	-	11,136	-
		As at March 31, 2005 \$ (unaudited)		As at June, 30 2004 \$
Account receivable				
Advance to an officer, prescribed rates		50,000		-

9. ADDITIONAL DISCLOSURES ON CASH FLOWS

	Three months periods ended March 31,		Nine months periods ended March 31,	
	2005 \$ (unaudited)	2004 \$ (unaudited)	2005 \$ (unaudited)	2004 \$ (unaudited)
Net change in non-cash operating working capital items				
Accounts receivable	(83,631)	(505)	(35,152)	(389,495)
Refundable tax credits	(83,123)	233,226	(348,685)	302,328
Prepaid expenses	(4,326)	3,993	(2,890)	(2,244)
Accounts payable and accrued liabilities	50,620	13,657	(100,699)	(28,322)
	(120,460)	250,371	(487,426)	(117,733)